

R14-2-602. Certificate of Convenience and Necessity for sewer utilities;

A. Application for new Certificate of Convenience and Necessity or extension of CC&N

1. Any person or entity who desires to construct and/or operate a sewer utility will, prior to commencement of construction of utility facilities, file an application for a Certificate of Convenience and Necessity with the Arizona Corporation Commission.
2. Each application for a new Certificate of Convenience and Necessity or extension of a Certificate of Convenience and Necessity shall be submitted in a form and number prescribed by the Commission and shall include, at a minimum, the following information:
 - a. The proper name and correct address of the proposed utility company and its owner if a sole proprietorship, each partner if a partnership, or the President and Secretary if a corporation, manager(s) and/or members of the L.L.C. (if management is reserved to the members) if a L.L.C.
 - b. A copy of the applicant's Articles of Partnership or Articles of Incorporation and/or Bylaws if the utility is a non-profit organization or association, or Articles of Organization if the utility is an L.L.C. for a new Certificate of Convenience and Necessity or the applicant's Certificate of Good Standing for an extension.
 - c. A complete description of the facilities proposed to be constructed, including a preliminary engineering report with specifications in sufficient detail to properly describe the principal systems and components (e.g., collection mains, trunk lines, lift stations, treatment plants, effluent disposal areas, etc.) in order to verify the costs submitted as part of R14-2-602.A.2.e and to verify that the requirements of the Commission and the Arizona Department of Environmental Quality can be met.
 - d. A copy of the Aquifer Protection Permit issued by the Arizona Department of Environmental Quality for the proposed area or, in the alternative, the status of the application for the Aquifer Protection Permit.
 - e. The estimated total construction cost of the proposed off-site and on-site plant facilities, including documentation to support the estimates, and an explanation of how the construction will be financed, such as, but not limited to debt, equity, advances in aid of construction or contributions in aid of construction.
 - f. The financial condition of the applicant.
 - g. The rates proposed to be charged for the service that will be rendered.
 - h. The estimated annual operating revenues and expenses that are expected to accrue from the proposed construction for the first five years of operation, including assumptions made to derive the estimates.
 - i. The estimated starting and completion date of the proposed construction. If construction is to be phased, the phases shall be described in detail.
 - j. A copy of any request for service for the area under application with the requested wastewater service provider identified.
 - k.. Maps of the proposed service area identifying:
 - i. The boundaries of the area under application with the total acreage noted.

- ii. Land ownership boundaries indicating the acreage of each parcel within the area under application if the area under application is comprised of two or more parcels that are owned by different parties.
 - iii. The owner of each parcel comprising the area under application.
 - iv. The corporate limits of any city or town that cross or are within five miles of the area under application.
 - v. The service territory of any public service corporation, municipality or district currently providing water or wastewater service within one mile of the area under application, the name of any such entity and the type(s) of service(s) it is providing.
 - vi. The location of any known sewer service connections within the area under application.
 - vii. The location of all proposed developments for the area under application.
 - viii. The proposed location of all principal systems and components described in R14-2-602.A.2.c.
 - ix. The location of all parcels for which a copy of a request for service has been provided per R14-2-602.A.2.j.
 - l. A copy of the applicant's notice of the application to all the landowners in the area under application who did not request service.
 - m. The written response to the notice from each landowner in the area under application who did not request service.
 - n. If a landowner did not respond to the notice of the application, the application shall include a description of the action taken by the applicant to obtain a written response from the land owner.
 - o. Appropriate city, county and/or state agency approvals.
 - p. Estimated number of customers to be served for the first five years of operation, including documentation to support the estimates.
 - q. The name of the water service provider in the area under application.
 - r. A description of how effluent from the area under application will be reused, or if not reused, a description of the disposition of the effluent.
 - s. For applications for an extension of a Certificate of Convenience and Necessity, the applicant shall also submit:
 - i. A current compliance status report from the Arizona Department of Environmental Quality. This status report shall be dated no more than 30 days before the filing date of the application for extension.
 - ii. A wastewater flow data sheet for the existing system(s).
3. Upon the receipt of such application, the Commission staff shall review the application for compliance with the information requirements of this regulation; additional information, amendments and/or corrections to the application to bring the application into compliance with this regulation shall be governed by the Commission's rules of administrative and hearing requirements concerning incomplete applications.
 4. Once the applicant has satisfied the information requirements of this regulation, the Commission shall, as expeditiously as reasonably practicable, schedule hearings to consider such application.

- B.** Additions or extensions of service contiguous to existing Certificates of Convenience and Necessity. Each utility which proposes to extend utility service to a parcel not located within its certificated service area, but located in a non-certificated area contiguous to its certificated service area, shall, prior to the extension of service, notify the Commission of such service extension. Such notification shall be in writing and shall be verified and shall set forth, at a minimum, the number of persons or entities proposed to be served by such service extension, their location in relation to the certificated area of the utility and a statement of the utility that the service extension is to a non-certificated parcel which is contiguous to its certificated area. Where emergency service is required to be provided to a customer in a non-certificated area contiguous to the utility certificated area, the utility shall advise the Commission simultaneously of such extension and the written notification shall set forth the nature and extent of the emergency.
- C.** Application for authority to abandon, sell, lease, transfer, or otherwise dispose of a utility. Any utility proposing to sell, lease, transfer, or otherwise dispose of the utility shall, prior to such sale, lease, transfer, or other disposal, file an application for authority to do so including the following information:
1. The address of the applicant.
 2. A description of the utility property proposed to be abandoned, sold, leased, transferred or otherwise disposed of.
 3. The financial condition of the applicant.
 4. The name of the purchaser, lessee or assignee.
 5. The terms and conditions of the proposed abandonment, sale, lease, or assignment and copies of any agreement which has been or will be executed concerning the same.
 6. The effect of the proposed transaction upon the service of the applicant.
 7. The method by which the proposed transaction is to be financed.
 8. The effect the proposed transaction will have on any other utility and, if so, in what respect.

R14-2-610. Administrative and Hearing Requirements

A. Customer service complaints

1. Each utility shall make a full and prompt investigation of all service complaints made by its customers, either directly or through the Commission.
2. The utility shall respond to the complainant and/or the Commission representative within five working days as to the status of the utility investigation of the complaint.
3. The utility shall notify the complainant and/or the Commission representative of the final disposition of each complaint. Upon request of the complainant or the Commission representative, the utility shall report the findings of its investigation in writing.
4. The utility shall inform the customer of his right of appeal to the Commission should the results of the utility's investigation prove unsatisfactory to the customer.
5. Each utility shall keep a record of all written service complaints received which shall contain, at a minimum, the following data:

- a. Name and address of the complainant
- b. Date and nature of the complaint
- c. Disposition of the complaint
- d. A copy of any correspondence between the utility, the customer, and/or the Commission.

This record shall be maintained for a minimum period of one year and shall be available for inspection by the Commission.

B. Notice by utility of responsible officer or agent

1. Each utility shall file with the Commission a written statement containing the name, address (business, residence and post office) and telephone numbers (business and residence) of at least one officer, agent or employee responsible for the general management of its operations as a utility in Arizona.
2. Each utility shall give notice, by filing a written statement with the Commission, of any change in the information required herein within five days from the date of any such change.

C. Time-frames for processing applications for Certificates of Convenience and Necessity

1. This rule prescribes time-frames for the processing of any Application for a Certificate of Convenience and Necessity issued by the Arizona Corporation Commission pursuant to this Article. These time-frames shall apply to applications filed on or after the effective date of this rule.
2. Within 30 calendar days after receipt of an application for a new Certificate of Convenience and Necessity, or to amend or change the status of any existing Certificate of Convenience and Necessity, staff shall notify the applicant, in writing, that the application is either administratively complete or deficient. If the application is deficient, the notice shall specify all deficiencies.
3. Staff may terminate an application if the applicant does not remedy all deficiencies within 60 calendar days of the notice of deficiency.
4. After receipt of a corrected application, staff shall notify the applicant within 30 calendar days if the corrected application is either administratively complete or deficient. The time-frame for administrative completeness review shall be suspended from the time the notice of deficiency is issued until staff determines that the application is complete.
5. Within 150 days after an application is deemed administratively complete, the Commission shall approve or reject the application.
6. For purposes of A.R.S. § 41-1072 et seq., the Commission has established the following time-frames:
 - a. Administrative completeness review time-frame: 30 calendar days,
 - b. Substantive review time-frame: 150 calendar days,
 - c. Overall time-frame: 180 calendar days.
7. If an applicant requests, and is granted, an extension or continuance, the appropriate time-frames shall be tolled from the date of the request during the duration of the extension or continuance.
8. During the substantive review time-frame, the Commission may, upon its own motion or that of any interested party to the proceeding, request a suspension of the time- frame rules.